

San Bernardino Valley Enterprise Zone

DESCRIPTION OF MAJOR SERVICES

On August 22, 2006 (Item No. 50), the Board of Supervisors approved a Memorandum of Understanding with the City of Colton, City of San Bernardino, and the Inland Valley Development Agency (IVDA) to fund, manage and describe the jurisdictional responsibilities of the San Bernardino Valley Enterprise Zone (SBVEZ). The SBVEZ is a state designated geographical area that offers local businesses state tax incentives in order to stimulate economic growth in the economically distressed areas of the City of Colton, City of San Bernardino, and the county. The SBVEZ facilitates economic growth through assistance to local businesses, jurisdictional leadership, public/private collaborations, attraction of new investment, the retention/expansion of existing businesses, and the employment of the most difficult-to-hire workers into private sector jobs. The SBVEZ application was submitted to the California Department of Housing and Community Development and it is expected to be approved by June 30, 2008.

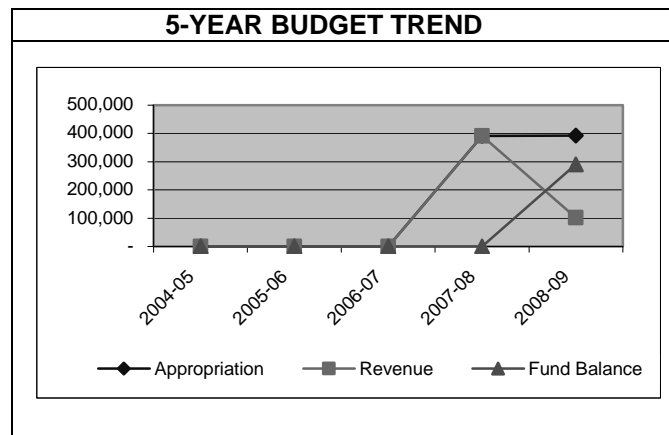
Major services offered to SBVEZ businesses include the following:

- Educational workshops for businesses to understand how they can take advantage of state tax credits.
- Employment and training assistance for Zone businesses.
- Assistance in accessing and procuring state contracts.
- Process employment vouchers to allow businesses that hire qualified individuals to receive state's hiring tax credits.
- Site selection assistance for new and expanding businesses.
- Permitting assistance for new and expanding businesses.

The services are offered through the Department of Economic Development and in collaboration with the cities of Colton and San Bernardino and IVDA.

There is no staffing associated with this budget unit.

BUDGET HISTORY



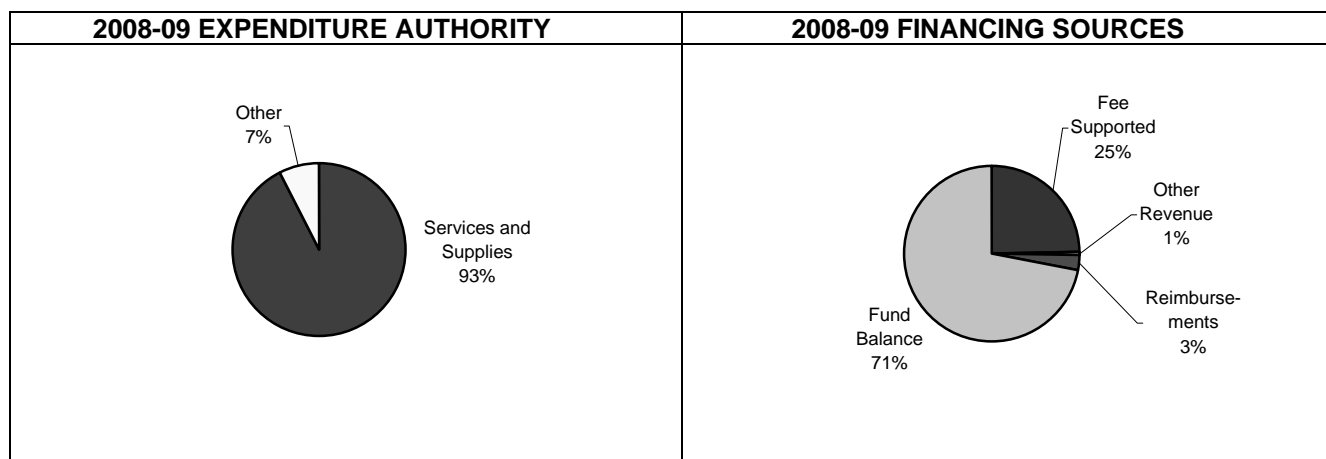
PERFORMANCE HISTORY

	2004-05 Actual	2005-06 Actual	2006-07 Actual	2007-08 Modified Budget	2007-08 Actual
Appropriation	-	-	-	391,412	35,230
Departmental Revenue	-	-	-	391,412	326,250
Fund Balance	-	-	-	-	-

In accordance with Section 29009 of the State Government Code, the entire unreserved fund balance must be appropriated each year. Actual appropriation for 2007-08 is significantly lower than modified budget as the department is awaiting final zone designation. The amount not expended is carried over to the subsequent year's budget. Upon final adoption of the SBVEZ by the State, the SBVEZ board will be meeting to review the overall marketing, administration, and program budget for 2008-09.



ANALYSIS OF FINAL BUDGET



GROUP: Economic Development
 DEPARTMENT: Economic Development
 FUND: San Bernardino Valley Enterprise Zone

BUDGET UNIT: SYZ EDF
 FUNCTION: Public Assistance
 ACTIVITY: Other Assistance

	2004-05 Actual	2005-06 Actual	2006-07 Actual	2007-08 Actual	2007-08 Final Budget	2008-09 Final Budget	Change From 2007-08 Final Budget
Appropriation							
Services and Supplies	-	-	-	42,716	398,500	373,911	(24,589)
Transfers	-	-	-	29,602	30,000	30,000	-
Total Exp Authority	-	-	-	72,318	428,500	403,911	(24,589)
Reimbursements	-	-	-	(37,088)	(37,088)	(11,000)	26,088
Total Appropriation	-	-	-	35,230	391,412	392,911	1,499
Departmental Revenue							
Use of Money and Prop	-	-	-	7,470	-	2,554	2,554
Current Services	-	-	-	317,810	391,412	99,337	(292,075)
Other Revenue	-	-	-	970	-	-	-
Total Revenue	-	-	-	326,250	391,412	101,891	(289,521)
Fund Balance					-	291,020	291,020

Services and supplies of \$373,911 represent costs for marketing, professional services, professional memberships, trade show attendance, advertising, auditing, County Counsel services, and mapping.

Transfers of \$30,000 represent the cost for the SBVEZ Manager incurred by the Department of Economic Development.

Each partner in the SBVEZ has been authorized by its legislative body to contribute funds to cover the administrative costs of the Enterprise Zone. Partner amounts are based on a fair share percentage of area within the SBVEZ that is covered by that jurisdiction. The county's portion of administrative costs for the 2008-09 budget is \$11,000 and shown as a reimbursement.

Departmental revenue of \$101,891 represents amounts to be received from the City of Colton, the City of San Bernardino, and IVDA to cover administrative costs. The reduction of \$289,521 represents funding for start up costs of the program received in 2007-08.



PERFORMANCE MEASURES				
Description of Performance Measure	2006-07 Actual	2007-08 Projected	2007-08 Actual	2008-09 Projected
Number of workshops to assist businesses to take advantage of State incentives.	N/A	4	10	4
Total number of businesses present at all workshops.	N/A	250	167	80
Number of businesses in the SBVEZ visited by county job developers.	N/A	150	179	150
Number of State hiring credits (vouchers) issued.	N/A	500	442	425

